



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

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## Israel

## Fresh Deciduous Fruit

## Apples

## 2008

**Approved by:**

Chris Rittgers  
U.S. Embassy, Cairo

**Prepared by:**

Gilad Shachar

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**Report Highlights:**

Israeli's domestic apple consumption in 2007 totaled nearly 118,000 tons, of which 2.3 percent was imported from the United States. Both the current exchange rate of the U.S. dollar versus the Euro, which continues to favor U.S. sales, and the Agreement on Trade in Agricultural Products (ATAP) between the U.S. and Israel, offers a good opportunities for American apples in Israel.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Annual Report  
Tel Aviv [IS1]  
[IS]

### Local Production, Planted Area and Consumption

In 2007, local apple production totaled nearly 120,000 tons, a 4 percent increase compared to the previous year. Out of total production in 2006, approximately 95 percent was consumed fresh in the local market, 4,360 tons (3.6 percent) were exported to Syria, and the remainder was delivered to the local processing industry.

Planted area in 2007 totaled 2,800 ha. Apples are grown mostly in northern parts of the country (85 percent). Approximately 64 percent of planted area is cultivated by the kibbutz and moshav sectors (cooperative agricultural settlements), and 18 percent by ethnic Druse farmers.

Local fresh apple consumption in 2007 totaled 117,700 tons, of which 3.2 percent were imported, mainly from the U.S. Local consumption in 2007 was about 20 kg per capita.

**Table 1: Apple Production, Thousands Metric Tons**

CY	Total Production	Percent Change Compared to the Previous Year
2002	99	
2003	86	-13.1%
2004	119	38.4%
2005	107	-10.1%
2006	115	7.5%
2007	120	4.3%
<b>Average Production</b>	<b>108</b>	

Source: CBS, Agricultural Statistics Quarterly

**Table 2: Planted Area by Region, CY 2007, Ha and Percent**

Region	Hectare	Percent
Northern Part – Golan Heights and Upper Galilee	2,380	85
Center	336	12
Southern Region	84	3

Source: Central Bureau of Statistics- Israel

### Value of Apple Production

In 2006, apple production value decreased by 7.5 percent compared to the previous year. Apple value, as a share of total fruit sector production value, also decreased during 2006.

**Table 3: Fruit Sector Production Value, \$ Million, Real Terms, CY**

CY	2000	2004	2005	2006	2006 % Change Compared to 2000
Total Value for Fruit Sector	584	636	905	863	47.8%
Of Which: Apples	95	86	146	135	42.1%
Apples as Percentage of Total Fruit Sector Value	16.3%	13.5%	16.1%	15.6%	-4.3%

Source: Israeli Central Bureau of Statistics

**Prices in the Local Market**

Retail prices for fresh apples in local markets during November and December 2007 were higher than those in the same period the previous year.

**Table 4: Monthly Retail Prices in Local Stores, \$<sup>1</sup>, Fresh Apples**

Months	\$ Per Kg Golden Delicious Variety	% Change Compared to the Previous Month
11/2006	1.63	
12/2006	1.62	-0.6%
1/2007	1.64	1.2%
2/2007	1.63	-0.6%
3/2007	1.66	1.8%
4/2007	1.69	1.8%
5/2007	1.78	5.3%
6/2007	1.88	5.6%
7/2007	1.96	4.3%
8/2007	1.93	-1.5%
9/2007	1.84	-4.7%
10/2007	1.80	-2.2%
11/2007	1.88	4.4%
12/2007	1.89	0.5%

Source: Price Statistic Monthly, Central Bureau of Statistics, Israel

**Trade**

In 2006, the U.S. market share for imported apples totaled 74 percent, representing a value of \$2.6 million. Data for 2007 American apples imports shows that quotas have been almost fully utilized. In 2007, American apple imports totaled 2,722 tons.

A combination between the current exchange rate of the U.S. dollar and the Euro, which continues to favor U.S. sales, and the Agreement on Trade in Agricultural Products (ATAP) between the U.S. and Israel, gives a great opportunity to American apples in Israel.

<sup>1</sup> Exchange Rate, 1 USA Dollar=4.00 New Israeli Shekel.

Table 5: Imports of Apples, by Origin, CY, \$ Thousands

Origin	Value (\$ Thousands)			% of Total Import		
	2004	2005	2006	2004	2005	2006
Belgium	0	0	8	0.0	0.0	0.2
France	0	34	0	0.0	0.9	0.0
Greece	68	42	42	3.1	1.1	1.2
Italy	49	715	828	2.2	19.1	23.3
Spain	29	13	41	1.3	0.3	1.2
<b>U.S.</b>	<b>2,040</b>	<b>2,948</b>	<b>2,636</b>	<b>93.3</b>	<b>78.6</b>	<b>74.1</b>
<b>Grand Total</b>	<b>2,186</b>	<b>3,752</b>	<b>3,555</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: CBS, Foreign Trade Statistics, Different Years.

### Agreement on Trade in Agricultural Products (ATAP)

According to the State of Israel's Trade Agreements, the following quantities of apples may be imported to Israel, during the year 2008, tax free:

Description	Quota	Duty	Individ. Quota	TRQ	Alloc. System
Fresh Apples from the U.S. 0808.1000	3,039 mt	exempt	Up to 20 mt	Solely for fresh produce wholesalers or international traders of fruit and vegetables.	First Come First Served
Fresh Apples from the EU 0808.1000	2,000 mt	exempt	Up to 20 mt	As above	FCFS

Imports from the U.S. above the quota are due to a levy of \$0.44/kg, but not more than 498% of CIF price.

### Final Quota Utilization for 2007 - 31/12/2007

Description	Quota Allocated MT	Utilized Quota MT	% Utilized
Apples from the U.S.	2,950	2,722	92.3%